

# Herald Tribune

INTERNATIONAL



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## Danes Get Time On Pact, but No Renegotiation

**OSLO** — Trying to keep momentum of unity from slipping away despite Denmark's popular vote rejecting their ambitious treaty on European union, foreign ministers of the other 11 European Community countries decided at an emergency session Thursday to proceed with ratification anyway and hope the Danes work something out.

As it stands, the treaty, laying the foundations for a common European currency as early as 1997 and urging a common foreign and security policy wherever possible, provides that it can only go into effect if all 12 countries ratify it.

The foreign ministers' decision to put a brave face on what most of them privately concede could keep Europe from ever evolving into more than a huge trade group was intended to buy the Danish government time to persuade Danish voters that they had made a mistake.

But there are also indications that the longer it takes to ratify the treaty, the greater the opposition to it could be in other countries where people share the fear of being swallowed up, culturally, politically, and economically, in a federal state dominated by Europe's largest countries.

The foreign ministers decided unanimously not to reopen the text of the treaty for new negotiations, though some officials said that small changes could not be ruled out eventually.

The ministers also agreed that the way would remain open for Denmark to participate in the European union the treaty would establish, according to a statement they issued late Wednesday afternoon.

Later, the Danish prime minister, Poul Schluter, said in Copenhagen that he would not rule out a new referendum, though he added that it would have to be "on a different basis" than the one in which the voters expressed their



**VIGILANCE IN TIANANMEN SQUARE** — Policemen in Beijing questioning two Americans who were throwing a Frisbee in Tiananmen Square on Thursday, the third anniversary of the massacre nearby of hundreds of pro-democracy demonstrators. The police arrested two founders of a banned Beijing labor union to prevent them from commemorating the Communist crackdown.

## Rich-to-Poor Ecology Fund Is Proposed

**By Paul Lewis**  
*New York Times Service*

**RIO DE JANEIRO** — The World Bank has proposed that the United States and other donor countries contribute \$5 billion to a new fund it wants to set up to provide virtually free grants to help the world's poorest countries protect their ecological systems, officials disclosed here Thursday.

The plan is being pushed by the World Bank president, Lewis T. Preston, who wrote the countries last week explaining his plan to add an "Earth Increment" to the bank's soft-loan arm, known as the International Development Agency, when its funds are replenished next year.

On Thursday, Mr. Preston publicly announced the plan when he addressed delegates attending the Earth Summit, but he did not disclose how much money he hoped to raise.

Officials said the United States, which contributes 22 percent of the International Development Agency's funds, would consider the plan. Other donors appear supportive.

The World Bank's proposal constitutes one of several plans under debate at the Earth Summit for raising the \$70 billion in new aid that developing countries need annually to pay for an ambitious plan, known as Agenda 21, to clean up the world environment.

Organizers hope to approve the plan at the summit meeting, which began Wednesday and ends June 14.

Without a substantial increase in aid, the developing world has said it cannot afford to continue its economic development in ways that safeguard the environment.

Officials said the new \$5 billion fund the World Bank favors would be earmarked for projects designed to protect the environment in countries with average annual per-capita incomes of less than \$740.

The fund would be in addition to the \$18 billion in new regular contributions the World Bank is asking from the International Development Agency.

## Voters, of All People, Seize Control of U.S. Politics

**By Thomas B. Edsall and Dan Balz**  
*Washington Post Service*

**WASHINGTON** — The emergence of Ross Perot as the leader in some public opinion polls has thrown a huge monkey wrench into the engine driving the nation's political system, wreaking havoc on conventional wisdom, predictions, and months if not years of planning and analysis.

Not only has Mr. Perot mounted the strongest independent presidential bid since Theodore Roosevelt bolted the Republican Party to run on the Bull Moose ticket in 1912, but also the two major parties are weaker and their nominees held in lower

esteem than at any time in several decades.

Past geographic and demographic assumptions about the electorate could also prove irrelevant this year, because the overriding characteristic of the election so far is its unpredictability.

Vin Weber, Republican of Minnesota, a retiring representative, said, "We are at a time when the voters are signaling their desire for forceful and dramatic leadership, and the two parties appear to be more ill-defined in the minds of voters and stand for less than at any time in recent history — less meaning nothing."

Edward J. Rollins, who signed up Wednesday as Mr. Perot's campaign manager, said, "The nastiness of this campaign is that it's wide open."

If the primary season is any predictor, the voters — frustrated, angry and independent-minded — have seized control of this election, and the candidates are rushing to find ways to appeal to them as personally as possible.

At this point, virtually every assumption of planning a presidential race is up in the air.

Among the unknowns are the state of the economy later this year, the Supreme Court ruling on abortion expected in the next month, the durability of Mr. Perot as a

## World Censure Haunts Serbs

**By Blaine Harden**  
*Washington Post Service*

**BELGRADE** — Psychiatrists at the Belgrade Mental Health Clinic began their morning staff meeting by kicking around the latest symptom of national paranoia.

One doctor said he had heard a rumor that an American spy plane had been shot down over Yugoslavia and that the United States was preparing to bomb Belgrade. Some of his colleagues said they had heard the same thing but did not believe it. Another doctor chimed in, "Who knows what is true?"

"After that came a long depressive silence," said Vida Rakic, a child psychiatrist in whose office the meeting took place.

By decree of the UN Security Council, Yugoslavia — made up now of only Serbia and Montenegro — has become one of the loneliest nations on earth, and the adjustment to being an outcast is not going well.

Mental health professionals here had lots of company as a whole society was beset by feelings of persecution and alienation. The foreign minister of Serbia said he had "reliable information" that preparations were being made for the "violent

**Kiosk**

**Bonn Says Stasi Used Hired Killers**

**BONN (NYT)** — German authorities have arrested 12 people, including three former East German state security officers suspected of masterminding a ring of West German criminals believed to have murdered hundreds of the Communist regime's opponents in West Germany since the early 1970s.

Alexander von Stahl, Germany's federal prosecutor, said the arrests that began Wednesday and continued Thursday were part of a nationwide sweep made possible by new evidence showing that East Germany's state security police, known as Stasi, maintained a network of hired West German criminals.

**General News**  
Sweden voted to end neutrality after joining the EC. Page 7.

**Dow Close**  
3,399.73  
Down 7.26

**The Dollar in New York**  
DM 1.698  
Pound 1.8265  
Yen 127.35  
FF 5.3785

Crossword Page 9.



**ALONE AT THE TOP** — Prime Minister Jan Olszewski of Poland in Parliament on Thursday. President Lech Walesa formally moved for the dismissal of his government. Mr. Olszewski faces a parliamentary vote of confidence Friday over the dismissal call.

**More MONDAY SPORTS**

Starting next week, the Trib's Monday Sports coverage will grow to an additional page. That means there will be more stories, more results, more statistics and more pictures about the entire spectrum of weekend sporting activity from around the world.

The summer weekends to come will be full of the premier sporting events on the year's calendar — the French Open, the Olympics in Barcelona and, of course, the pro basketball finals, major league baseball and Grand Prix racing.

Monday Sports expands to get in more of the passion, more of the detail. Starting Monday, June 8.

## Of Human Bondage: India Tolerates Slave Labor as Usual

**By Edward A. Gargan**  
*New York Times Service*

**IBRAHIMPUR, India** — The spare 15-year-old in a tattered shirt stood stiffly, shaking his head. "No," he said. "I don't know Bharat."

Gently, Kailash Satyarthi placed his hand on the young man's shoulder and said: "Bharat is this country, where you live. Bharat is India."

Around Mr. Satyarthi and Bushan Lal hovered a dozen other young men, some nodding in understanding, others wrestling with a new idea: India.

"These men have never seen a white person," Mr. Satyarthi explained. "They

have never seen a newspaper. They have never heard of America. They don't know what money is. Some don't even know the name of their country. They were bonded laborers, people who have been in complete servitude."

Throughout India, such workers toil, unpaid and ill treated, in what amounts to slavery in stone quarries, brick kilns and yards, and the rice paddies of central and southern India.

Bonded labor — the practice of engaging workers without wages to pay off real or imagined debts — is against the law. But it persists despite court rulings, occasional police intervention and the work of people

such as Mr. Satyarthi, who works at his center for these laborers about 30 kilometers (20 miles) northeast of New Delhi.

By conservative estimates, he said, there are 5 million adults and 10 million children in bonded labor in India, which has a population of 844 million. He terms the system "the scourge of humanity."

For more than a decade, Mr. Satyarthi, an engineer who gave up his career to work with India's outcasts and *harijans*, or untouchables, has devoted his energies to freeing India's bonded laborers from servitude. "Before 1979, nobody knew much about bonded labor," he said. "It was a hidden phenomenon."

"Since 1980 we have liberated more than 40,000 laborers from around the country," Mr. Satyarthi said. "I have lost two friends while trying to liberate laborers, both in 1985. One was beaten to death with iron rods. One was shot dead. Both were in the quarries. Some people were arrested, but all were released later on."

Virtually all of India's bonded laborers are untouchables, who are at the bottom of the caste hierarchy. Some were born into their condition because their parents or grandparents had been sold. Others were lured into servitude by agents for quarry owners or brick kiln managers with promises of higher-paying jobs than they had.

Still others fell into their position from the need to repay loans that were readily given, but that can never be fully repaid.

Once indentured, it is almost impossible for any to escape.

Only through repeated court orders from the national Supreme Court has Mr. Satyarthi been able to free any bonded workers. And even then, he said, local police and government officials often ignore court rulings. "There is so much corruption," he said. "These owners are very powerful. They can do anything."

Hari Krishna Kandoi said: "I'm a *harijan*. My family has been bonded labor for

## Saudis to Oil Firms: Don't Drill in Yemen

**By Youssef M. Ibrahim**  
*New York Times Service*

**LONDON** — Saudi Arabia has warned international oil companies from the United States, France, Britain and Canada to stop looking for oil in several thousand square miles of northern Yemen adjacent to Saudi borders or face the possibility of retaliatory measures, including military action.

The Saudi warnings contained in letters to the companies implied that they were operating in disputed onshore and offshore border areas between the two countries and in the Red Sea. But oil industry executives said many of the operations fell within territories between the 17th and 18th parallels widely believed for years to be under Yemeni sovereignty.

The move, accompanied by increased Saudi border patrols inside Yemeni territory and a hostile campaign against Saudi Arabia in the Yemeni press, has significantly worsened the relationship between the longtime Arabian Peninsula rival nations.

Differences over borders between Saudi Arabia and Yemen date back to the 1930s, but the growing confrontation between Saudi Arabia and Yemen has taken a decidedly nasty turn as a result of the deep animosities engendered by the Gulf War. Yemen appeared to back Iraq throughout the crisis.

Over the past few days, according to unconfirmed Yemeni press reports, Saudi Arabian intelligence operatives working in northern Yemen were trying to destabilize the government of president Ali Abdullah Saleh by promising Saudi citizenship to tribes in the border region if they supported Saudi claims.

Oil executives in companies operating in Yemen have confirmed that increased patrols by Saudi Army personnel have been observed

While the Saudi government has denied reports of military movements, it has over the past few days issued several statements accusing Yemen of resisting a settlement of outstanding border disputes. The Saudi government stood by its warnings to the oil companies and notified more of them to cease activities in disputed border regions onshore and in the Red Sea.

A cessation of oil exploration and production activities in Yemen would deal a heavy blow to the Yemeni economy. Foreign companies active there spend hundreds of millions of dollars looking for oil



even before they start producing it, thus contributing foreign currency to the impoverished country.

Yemen produces 200,000 barrels of oil a day from newly discovered fields and is expecting this output to rise to 800,000 barrels a day within five years, with the help and capital investments of about 20 foreign oil companies operating in joint ventures in the country.

In 1990 Saudi Arabia dealt a first blow to the Yemeni regime by evicting as many as 1 million Yemeni workers who were sending home hundreds of millions of dollars in remittances every year.

The latest confrontation be-



# The Mood Around Clinton: Abused and Confused

By David Maraniss  
Washington Post Service  
LOS ANGELES — On the morning after Bill Clinton clinched his party's presidential nomination, words that he had often used to evoke the frustrations of the American middle class seemed more applicable to the candidate's own predicament.

"I am tired of seeing people who work hard and play by the rules get the shaft," Mr. Clinton says.  
If nothing else during his long quest for the Democratic nomination, Mr. Clinton followed what he thought were the rules of modern politics. The shaft was to wake up to find that he was an asterisk in the day's events and that even Democratic voters had told exit poll-takers that they might junk him for a political maverick, Ross Perot.

"It's sad and a bit ironic in my book," said Mr. Clinton's media adviser, Frank Greer. So what rules does Mr. Clinton follow now? The frustration of the Arkansas governor and his advisers is compensated by a feeling — a hope, at least — that Wednesday was a starting-over point for all the candidates and the voters. Mr. Clinton said he was looking forward to the general election as a chance to say to the voters: "Give us a listen."

There are three dominant areas of concern for the Clinton campaign between now and the Democratic National Convention in New York in mid-July, his aides say. The first is to get the public to take another look at their candidate. The second is to deal with the Perot phenomenon. And the third is to use Mr. Clinton's selection of a running mate as a positive turning point in the election.

George Stephanopoulos, in charge of overseeing the message, said his goal between now and the convention is "to make sure all of America knows who Bill Clinton is, what he's done and what he stands for." That task should be easier now, Mr. Stephanopoulos said, without primary contests that were at times "both debilitating and distracting."

While Mr. Clinton will not abandon his cross-country traveling campaign style, he will modify it somewhat, and focus each week on a thematic speech and a half-hour paid national television call-in show. Mr. Greer said the emphasis will be on presenting Mr. Clinton's plans in the context of his life experiences, such as relating his education policies to the role schools played in his rise from small-town Arkansas to the national stage.



Mr. Clinton playing the saxophone during the taping of a television show. The show's host, Arsenio Hall, left, said "It's good to see a Democrat blowing something other than the election."

# U.S. House Sets Deeper Troop Cuts Abroad

Los Angeles Times Service  
WASHINGTON — The House of Representatives has voted to reduce the nearly 350,000 U.S. troops overseas even more than planned by the Pentagon, and also to press allies to pay more of the cost of keeping U.S. forces on their territory.

Opening debate on the fiscal year 1993 defense appropriations bill, the lawmakers voted to slash forces abroad by 40 percent. The House voted Wednesday to cut total troop strength abroad by the end of 1995 to 228,000, including 100,000 from the forces in Europe. The troops in Europe are already down sharply from the 300,000 level maintained during the Cold War.

The House also approved a proposal that would require President George Bush to negotiate new formulas under which the Europeans and South Korea would pay 70 percent of the cost for keeping U.S. troops in their countries, much as Japan does.

Representative Butler Derrick, Democrat of South Carolina, said that keeping U.S. troops in Europe, South Korea and Japan last year cost about \$25 billion. The House voted to reduce the Pentagon's \$274 billion budget by \$3.5 billion. This was adopted with the understanding that the Pentagon would make up the difference either by speeding up withdrawals or inducing others to bear more of the cost.

The changes were the first in what is expected to be a spate of amendments to the defense bill. These range from conservative moves to restore money for the Strategic Defense Initiative, the missile-defense system, to liberal efforts to ban nuclear testing.

Despite the numerous amendments expected, Representative Les Aspin, Democrat of Wisconsin, the chairman of the Armed Services Committee, said he believed the measure would be approved more or less intact. The Senate is expected to take up similar legislation in July.

# Heart Surgery For Buchanan

The Associated Press  
WASHINGTON — The Republican presidential contender Patrick J. Buchanan is to have elective heart surgery on Friday to repair his aortic valve, a campaign spokesman said Thursday.

The spokesman, Dan Giroux, said the surgery was to correct a problem that the conservative columnist has known about for at least 10 years. He decided to have the major surgery performed once the primary season was over. Mr. Buchanan, 53, entered the Washington Hospital Center on Thursday and is expected to remain there for eight days, Mr. Giroux said.

He said doctors say Mr. Buchanan will be fully recovered by the Republican National Convention in August.

# Helms Is Recovering Well

United Press International  
RALEIGH, North Carolina — Senator Jesse Helms, 71, Republican of North Carolina, is in stable condition after undergoing open-heart surgery, his office has announced. Doctors replaced his mitral valve, and four coronary bypass grafts were done.

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# Did Perot Combine Business With POW Effort?

By Patrick E. Tyler  
New York Times Service

WASHINGTON — After going to Hanoi in 1987 in an effort to free Americans who might have remained in captivity from the Vietnam War, Ross Perot and one of his associates discussed private business opportunities with Vietnamese officials, according to a senior Vietnamese official and Mr. Perot.

In a June 1990 letter, the Vietnamese Foreign Ministry designated Mr. Perot and his company as a business agent of the government of Vietnam to help procure American investment for Hanoi once diplomatic and trade relations were normalized, Mr. Perot said. Those relations have yet to be normalized.

But Mr. Perot and the senior Vietnamese official agree about little else in accounts they provided about business discussions that appear to have overlapped with Mr. Perot's efforts to determine whether any American prisoners of war remained alive in Southeast Asia and, if they did, to free them.

U.S. government officials who were engaged in negotiations with Vietnam. Nothing about the business discussions was illegal, but a number of American officials dealing with prisoner-of-war issues expressed surprise, and some criticized the contacts.

Mr. Perot said that he never had any intention to invest in Vietnam or Southeast Asia and that his trip in 1987 to Hanoi and the eight subsequent trips by an associate, Harry McKillip, to meet with Vietnamese officials were either related to prisoner-of-war or missing-in-action issues or were purely social.

He said he had engaged in several "philosophical" discussions about business opportunities with Vietnamese officials, but he dismissed these as the initiative of Vietnamese officials, including the foreign minister.

Mr. McKillip said he had not engaged in commercial negotiations with Vietnamese officials. He said he had merely supplied the foreign minister with books on management, investment and finance to aid the official's efforts to develop a code of foreign investment for Vietnam.

Mr. Perot said he had rejected the June 1990 letter from the foreign minister when Mr. McKillip returned with it from Hanoi, and that he had never replied to the Vietnamese, although Mr. McKillip continued his contacts with officials of the government in Hanoi.

On Wednesday, Mr. Perot read the contents of the letter over the telephone but declined to make public a copy of it, saying he feared that would harm current discussions between Vietnam and the United States.

A senior official of Vietnam's Foreign Ministry, Le Van Bang, said in a telephone interview from Hanoi that his government had been discussing commercial ventures with Mr. Perot's representatives since sometime after Mr. Perot's 1987 visit to Hanoi, which was devoted mostly to issues involving prisoners of war and servicemen missing in action.

Mr. Bang, in an interview last month, asserted that Mr. Perot and his associate had promised money, medicines, medical equipment and other humanitarian aid in discussions that eventually included much larger commercial assistance. That aid is

referred to in the letter and in Mr. Bang's remarks during the telephone interview as falling into the categories of electronics, computers, oil and gas, transportation and real estate.

In a categorical rejection of the assertion that Mr. Perot's company actively pursued a commercial relationship with Vietnam, Mr. Perot said, "When the dust settles, no matter how you write it, you have my word, my oath on it: None of this is true. It did not occur."

He raised the possibility that Vietnam's Politburo had made a determination that it could carry favor with the Bush administration and speed normalization of trade and diplomatic ties with Washington by sabotaging Mr. Perot's putative run for the White House.

Several American officials suggested that any private dealings with Hanoi by Mr. Perot could reinforce hard-line views in the Politburo, where there is strong sentiment to delay cooperation on the repatriation of POW remains as a way to exert leverage on Washington to speed normalization and the end of a trade embargo.

# British Warships Pass Suez

The Associated Press  
PORT SAID, Egypt — A British Navy carrier group passed through the Suez Canal on Thursday from the Mediterranean, headed for East Asia. Led by the Invincible, the group left England on May 12 for a six-month assignment.

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# Elvis Ain't Nothin' But a Young Man

The Associated Press

MEMPHIS, Tennessee — America hasn't yet selected a new president, but it has picked its king. The 1950s version of Elvis Presley from "Heartbreak Hotel" and "Hound Dog" fame has been voted in by fans for a new U.S. stamp honoring the singer. The king of rock and roll died in 1977 at age 42.

The Postal Service announced Thursday that the "young Elvis" design outpooled the "old Elvis" depiction of him amid Las Vegas glitter by a 3-to-1 margin. The image will adorn 29-cent first-class letters in January.

Officials had commissioned two portraits. The winning one had Presley cradling a '50s-style microphone in his "Hound Dog" years. The other showed him as a puffed-up Vegas performer.

With Presley's former wife, Priscilla, on hand, the results were announced in Memphis. More than a million votes were cast. Critics objected to the project's \$300,000 in promotional costs, but the Postal Service expects to make money from collectors on the stamp.



Nationwide vote put the young Presley on the U.S. postage stamp.

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INTERNATIONAL **Herald Tribune**

Published With The New York Times and The Washington Post

**A Lever to Try on China**

During the past year there has been an important change in trade relations between the United States and China. The Chinese used to brush off American complaints about the grossly unfair tactics they have been using to hold down imports from the United States. Then, late last year, the Bush administration threatened retaliation. Now negotiations are suddenly moving along productively. If the United States seriously wants China to meet its commitments on human rights, perhaps trade sanctions offer an effective lever.

most-favored-nations status for another year. The purpose is to encourage economic reform there. But the Chinese government seems to have the idea that it can pick and choose among the standards of international conduct, accepting those — such as access to the American market — that work to its advantage and ignoring the others.

**The Next Step for Clinton**

Bill Clinton, having emerged from the muddy shuffle of primary season with the delegates needed for the Democratic presidential nomination, suggests that the public will now step back and give his candidacy the fresh look under a broader lens that it deserves. We hope he is right. Primary fights tend to be fairly narrow and clamorous affairs that rarely do any candidate's reputation much good. Mr. Clinton, in our view, saw his identity bent out of shape and his record obscured even more than most.

overwhelmed by the next. So we think all the fatalism in the air concerning the Democrats probable nominee is at least premature and misplaced. All three of the contenders in the current race have a chance. Mr. Clinton's chance depends on what he does now.

**Their Newfound Power**

Think back to that angry day last fall when seven women representatives marched to the Senate, demanding that the vote to confirm Clarence Thomas as a U.S. Supreme Court justice be shelved until Anita Hill's sexual harassment charges could be heard. Then, fast forward to this week's California primary, where Democratic voters set the stage for the first election in history with two women running for the Senate from the same state.

gan "2 Percent Is Not Enough," a reference to the fact that only two of the Senate's 100 members are women.

**Other Comment**

**Perot's Jolting Crapshoot**

Almost everywhere Americans pause to talk politics these days, the focus is on the Texas billionaire who is set to launch an independent bid for the presidency. It could be that the [Ross] Perot boom may be a burst bubble once voters get serious and examine his policies and character. But that assumes the nation does not want a take-charge leader. Whatever the outcome of the Perot crapshoot, it has jolted America from its feeling that the political game is fixed by rules that cannot be changed and that there is precious little the ordinary citizen can do about it.

**Rich Nations, Poor Nations**

Ever since it became apparent that damage to the environment was posing a threat to the well-being of all mankind, the nations of the North and the South have been at odds about who is to blame and what should be done about it. The developing nations feel they are being unfairly accused of polluting the environment. They expect the industrialized nations to help them so they can survive and grow without depleting their natural assets. They find it unfair of industrialized nations — the 23 percent of the global population who enjoy 85 percent of the total income — to ask the poor to curb growth by limiting use of their natural resources while the rich nations continue to wallow in luxury.

**Europe Gets a Dose of Realism**

By Leslie H. Gelb

NEW YORK — Very bad week for Europe, the troubadours of doom will sing for weeks: Perhaps the idea of a united Western Europe was buried in Denmark. Southeastern Europe is going up in flames. And the great Russian experiment in democracy and free enterprise is collapsing.

conviction, but from fear of being left off the common economic bandwagon. Their leaders were too far ahead of them in abandoning sovereignty. This feeling, too, may be widely felt in other West European states.

**NATO: This European-American Quarrel Serves Neither Side**

By William Pfaff

PARIS — The NATO decision Thursday to place peacekeeping forces at the disposal of the Conference on Security and Cooperation in Europe enlarges NATO's relevance to the problems confronting Europe today, but it does not solve the current quarrel between Washington and the West Europeans on the future of Western security arrangements.

no American fears for America's security. When Washington looks at Europe's future, it considers NATO the proven security solution. Thus it vigorously backs any extension of NATO competence and range of action.

**25 Years Later: The View From the Eye of a Six-Day Hurricane**

By Gideon Rafael

JERUSALEM — President Nasser's demand in May 1967 that the United Nations evacuate its peacekeeping forces from the Egyptian border and the entrance to the Gulf of Aqaba hit the Middle East like a bolt from the blue.

those of Israel and Egypt, agree to a cooling-off period; the request was dropped when Nasser rejected it.

**Likud Is Close to Blowing the Election**

By William Safire

TEL AVIV — The legendary Brooklyn Democratic leader Hymie Shorenstein used to refer to Franklin Roosevelt as "the Staten Island Ferry." Asked why, he replied: "You know how when the boat glides into the ferry slip, it drags in all the garbage from the harbor behind it? For the rest of our candidates, FDR is the Staten Island Ferry."

of Mr. Rabin over his longtime rival, Shimon Peres. I mistakenly went to Labor headquarters, with its old pictures of Mr. Peres and halls filled with hawks, to meet Mr. Rabin: It turned out my appointment was at his "personal headquarters," with plain pipe racks and busy young people bustling about. He is running alone, and other Labor candidates know that Mr. Rabin's comeback is their comeback.



West — a permanent matter of anxiety in Paris. The Germans accept it for the same reasons. For some time, therefore, an experimental French-German joint brigade has existed, and now there is the plan to create a 35,000-man "Eurocorps," expected to consist of a French light armored division based in Germany and a German armored infantry division. The other Europeans have been invited to join, with predictable results: Belgians and Dutch reject the idea, while the British and Spanish would be one now under NATO command.

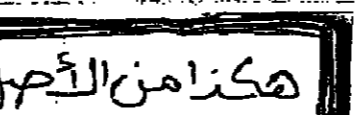
**Skulls For Cast Down Of an 'E'**

WASHINGTON — A client of a firm in Ghana has been charged with the murder of a man who was a member of the African National Congress (ANC) and a member of the South African Communist Party (SACP).

**IN OUR PAGES: 100, 75 AND 50 YEARS AGO**

- 1892: Ex-Priest's Plight** NEW YORK — Father Dent, the unrocked Catholic priest of the Diocese of Buffalo, has been suing his superiors for libel, and to make things lively, he subpoenaed Archbishop Corrigan, Bishop Ryan and sundry priests to serve papers on whom he has been hammering away at the convent doors to get at the supervisors, rushing into confessionals, to the affront of penitents, in order to serve the officiating priests, and raising a rumpus generally.
- 1917: Aid for the Blind** PARIS — The Permanent Blind War Fund, which is prefixed by the initials A. B. F. B. (American, British, French, Belgian), has recently entered on a new work in Paris for the blind soldiers of France. This organization, which was one of the most extensive of all the American charity works, was founded by Mr. and Mrs. George A. Kesler. The fund was first opened in England and commenced its activities in America in April, 1916. Its patrons include the King and Queen of England, the King and Queen of the Belgians and the President of the French Republic.
- 1942: Heydrich Is Dead** LONDON — [From our New York edition:] Reinhard Heydrich, scourge of Nazi-occupied Europe, died in Prague today [June 4] while the rifles of his Gestapo took revenge among the populace for his assassination. Twenty-four more Czechs were executed in Prague and Brno after the announcement of Heydrich's death. But the terror loosed by beheading of Fuesler Adolf Hitler's henchman, which already had claimed the lives of 163 hostages in Bohemia and Moravia, was building up its own counter-terror. The German radio itself revealed that Nazis in the Protectorate of Bohemia-Moravia were feeling "the hand that strikes by night."

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EC: It'll Go Ahead Anyway on Pact

(Continued from page 1) ...mean the end of the country's stable currency, the Deutsche mark, and Germany's states are also demanding a greater role in Community decisions.

Sweden, Austria, and Finland have applied, Switzerland has said it would soon, and Norway is expected to make a decision this fall.

Despite Oxford Protest, A College to Admit Men

The Associated Press OXFORD, England — Somerville College said Thursday that it would admit men in 1995 after the university chancellor overruled student objections.



Foreign Ministers João de Deus Pinheiro of Portugal, left, and Uffe Ellemann-Jensen of Denmark, conferring prior to the emergency session Thursday in Oslo on the treaty on European union.

NATO: Alliance Offers New Peacekeeping Support

(Continued from page 1) ...called on all states to provide humanitarian assistance. Mr. Eagleburger, who attended the NATO session because Secretary of State James A. Baker 3d was attending his 40th reunion at Princeton, repeated the tone and substance of remarks that Mr. Baker had made about the situation in the Balkans at a meeting in Lisbon last month.

BELGRADE: The Stress of War

(Continued from page 1) ...overthrow of the Yugoslav government. The commanding general of the air force said that if the American military intervened "we must fight to the last man."

Sweden Vows Full And End

By Joseph P. ... PARIS — ...Sweden plans to ...the ...

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A EUROPEAN POWER IN WORLDWIDE BANKING

VOTERS: U.S. Politics in Chaos

(Continued from page 1) ...dale, which was one turn in the downward spiral of the Democratic Party.

Eight years ago, Lee Atwater, then a rising Republican strategist, calculated that any candidate with negative ratings of 30 percent was severely wounded, and if public aversion to a candidate broke 40 percent, the wound was virtually certain to be fatal.

In this election, as politics and politicians have fallen to new lows on public barometers, Mr. Bush and Mr. Clinton are viewed negatively by 40 percent or more of the voters in their own parties in California, and by overwhelming majorities in the opposition party.

Mr. Perot, in turn, is not in much better shape, viewed negatively by more than 45 percent of California Democrats who voted on Tuesday, and by nearly 35 percent of California Republican voters.

Mr. Perot changes many basic

SLAVES: India Business as Usual

(Continued from page 1) ...generations. My father was bonded labor and also my grandfather. I worked on a rice field in Chamaur-dina village. That is in Madhya Pradesh in central India.

"I was never paid any wages," he added. "I was just given some food. I was released three months ago by the Supreme Court."

But freedom alone is not enough for men like Mr. Kandoi. "We realized that here was a problem of looking after these people, otherwise they would go back to being bonded laborers," Mr. Satyarthi said. "We found out that government officials were absolutely reluctant to help bonded laborers."

So last year he formed what he calls Mukti Ashram, or Liberation Retreat, where he works with former bonded laborers.

"People who are bonded laborers are mental slaves," he said. "It is hard for them to mix in society. They feel themselves very inferior. They feel the burden of being casteless. They have no way of earning a living. They have no idea what to do with money. And they are afraid of everyone. If you ask them what their conditions are, they say, 'Oh, everything is good.'"

"But this is because of a sense of having done something wrong in a previous birth. In their whole lifetime, they have never come across anyone who actively helped them. No one. So building up trust with them is a serious problem."

With money from private donors he bought a small piece of land on the outskirts of Ibrahim-pur. He hired a tailor, carpenter, weaver, iron worker and mason to teach trades to the laborers, a counselor to help with their adjustment problems and a cook to feed them.

He has 100 people around India working full time to free laborers from servitude, mostly by trying to get court orders enforced. And every three months, his colleagues

send 50 to 60 laborers to Mukti Ashram for training.

Despite the efforts of his ashram, and the injunctions of the law, the ranks of bonded laborers continue to grow, Mr. Satyarthi said. "We have liberated about 5,000 children in the last 10 years. But in the last 10 years, about 100,000 children have come into the industry."

OIL: Saudi Ultimatum

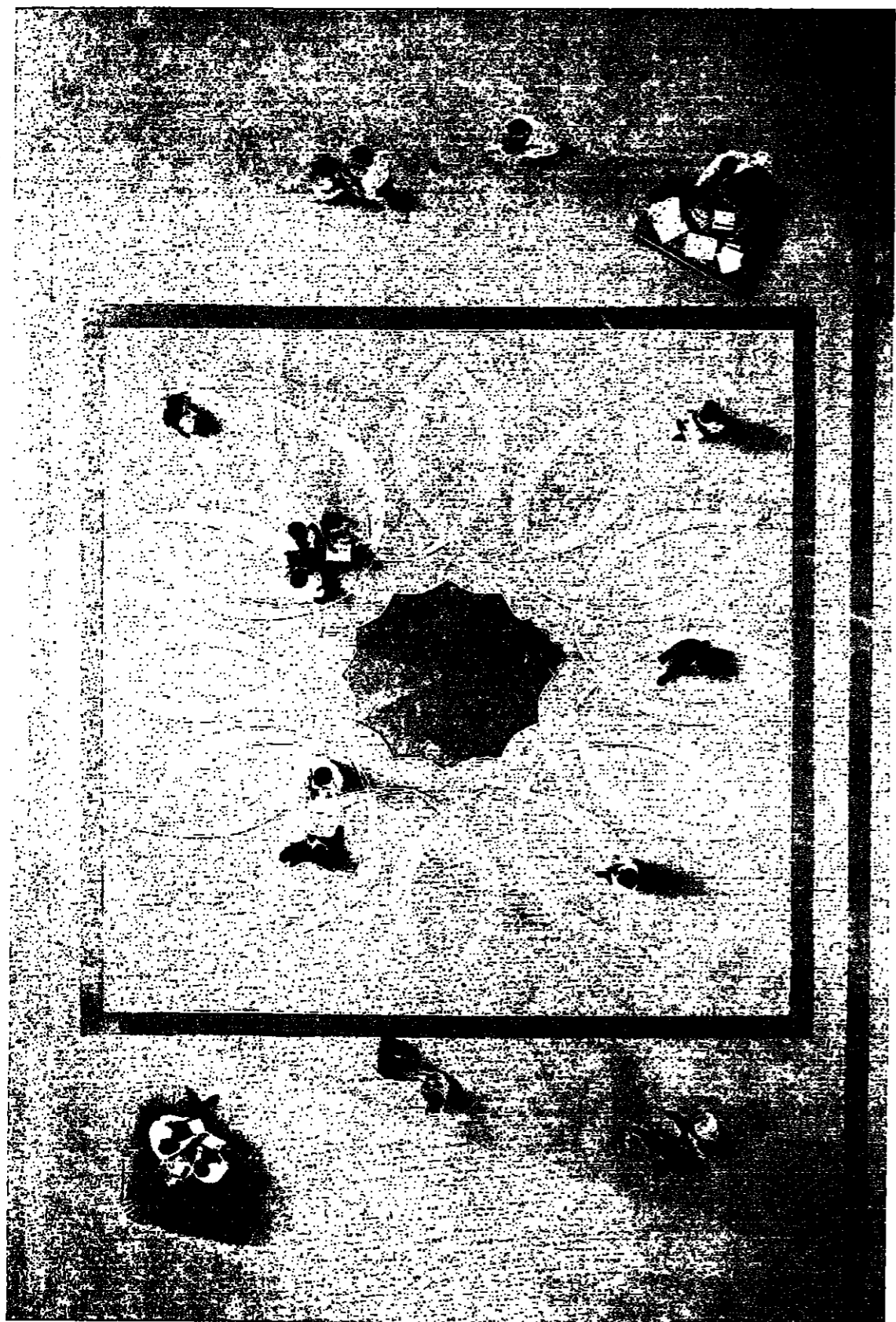
(Continued from page 1) ...between the two countries has revived bitter animosities that have their roots in tribal and territorial disputes going back to the early '30s.

The two countries then fought a border war, and tribes led by Prince Faisal, who later became king, took over Assir Province, which some Yemenis still claim.

With a population of about 13 million, as compared to Saudi Arabia's more than 20 million, Yemen could, if its economic situation ever improved, become a challenger to the Saudi dominance of the Arabian Peninsula.

Before the Gulf crisis, Yemen joined Iraq, Jordan and Egypt in forming the Arab Cooperation Council, a regional alliance that was created to balance, and in the Saudi view encircle, the Gulf Cooperation Council. The latter group is headed by the Saudis in alliance with Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman.

Several of the oil companies involved swiftly responded by freezing or ending their activities in Yemen, although at least one company, Hunt Oil Co. of the United States, appears to have politely rejected the Saudi warning.



مكتبة من الأصول

Vaclav



Václav Havel, head of the

Sweden Vows Full And End

By Joseph P. ... PARIS — ...Sweden plans to ...the ...

Russia Meets Easy Boro

By Michael DeBorja ... MOSCOW — ...to hopes for creating a ...

Oil: Saudi Ultimatum

(Continued from page 1) ...between the two countries has revived bitter animosities that have their roots in tribal and territorial disputes going back to the early '30s.

# 80 Parties Vie for Czechoslovaks' Votes

By William E. Schmidt  
New York Times Service

BRNO, Czechoslovakia—The rally was supposed to be a rousing send-off for candidates running on the Civic Movement ticket, the political party that is direct heir of the popular front that forced Czechoslovakia's Communist government to give up power in 1989.

But fewer than 300 people were huddled under umbrellas in a rain-soaked square in this city, at the very center of the country, watching and listening while the party's speakers cajoled passers-by to choose them when they go the polls on Friday and Saturday, in Czechoslovakia's second free parliamentary election since the so-called Velvet Revolution.

Barely three years ago, the Civic Forum, as the democratic front was then called, used to draw hundreds of thousands of people to rallies demanding free elections and the end of Communist rule, and its candidates won more than half the votes in the first parliamentary ballot in 1990.

But public opinion polls suggest that the Civic Movement, as the front is now called, will be fortunate to get more than 7 percent of the vote this time, drowned out by a growing babble of ambitious new voices and new special interest groups.

Both the Civic Forum and its Slovak counterpart, People Against Violence, have splintered since 1990 into myriad parties whose pleas have not just exhausted and bewildered many voters, but virtually assured Czechoslovakia of parlia-

mentary gridlock once the ballots are counted this weekend.

With dozens of parties and hundreds of candidates crowding ballots for the federal legislature, as well as the separate Czech and Slovak republic legislatures, some Czechoslovak voters are wondering if there can be such a thing as too much democracy.

At last count, there are more than 80 parties competing for the ballot in the Czech republic and neighboring Slovakia.

Among other causes, they have assembled to advocate the interests of Communists and former Communists, gypsies and beer drinkers, Slovak nationalists and pro-European democrats, monetarists and mothers.

Under Czechoslovak law, any party that fails to get at least 5 percent of the vote will be cut off from legislative seats.

Still, it is possible it will take weeks of negotiations, once the votes are counted this weekend, to assemble the governing coalition.

Matisek Gustav, an adviser to the Civic Democratic Union in Slovakia, the party that emerged as the political arm of People Against Violence, said he was disappointed by the fragmentation but not surprised.

In the 1990 elections, candidates for People Against Violence won a third of the vote in Slovakia.

Polls suggest that the Civic Democratic Union, the new name the front adopted only a few months ago, may not even win enough votes to be in the legislature.

In Slovakia, People Against Violence has begot two more separate Christian Democratic parties and the Movement for Democratic Slovakia, which has settled on the more prosperous Czech republic as its enemy.

The Movement is running far ahead in public opinion polls, and in emotional campaign speeches, Vladimir Meciar, a former Communist and one of the main Movement proponents, has cast the election as a kind of referendum on whether Slovakia ought to dissolve or loosen its federal ties to Prague, and go its own way.

In the Czech republic, where the economy is far more buoyant and political sympathies much more tilted toward the West, the old Civic Forum has spun off parties and political leaders more inclined toward economic reform and a strong anti-Communist.

The most powerful by far is Vaclav Klaus, an unyielding advocate of economic reform who, like Mr. Meciar, has a vast following, particularly among young people, who are drawn by his forceful, even imperious, style.

While most rallies attract, at most, a few hundred faithful, Mr. Klaus drew more than 6,000 to a stadium outside Bratislava on Tuesday.

Dusan Dorotin, the vice chairman of the Party of the Democratic Left, which is made up of former Communists and running second in Slovakia polls, said voters were confused, and as a result were often drawn to the most forceful personalities.



Vaclav Klaus, head of the Civic Democratic Union, got scant attention from two Prague residents waiting Thursday for a bus.

## Sweden, Its Eye on EC, Vows Full Security Role And End to Neutrality

By Joseph Fitchett  
International Herald Tribune

PARIS—Formally pledging full security cooperation if Sweden is admitted to the European Community, Defense Minister Anders Björck said Thursday that his country's neutrality amounted to "stone tablets that have now been broken" beyond repair.

Spelling out a new Swedish approach more compatible with other West European countries' views, Mr. Björck said that Sweden would gradually expand its military involvement with its Western neighbors in step with closer economic and political ties.

Swedish political leaders generally, and not just his own conservative government, have reached a consensus on abandoning the country's traditional neutrality as the price of membership in the Community, Mr. Björck said.

But the process will be gradual. Sweden plans to increase its military spending—backing the trend toward shrinking budgets elsewhere—so that it can modernize its own defenses, safeguard its defense industries and thus continue to stay out of military alliances such as NATO. The nation has an armed force of about 65,000 and can mobilize 725,000.

Mr. Björck said that Sweden planned to "remain neutral in the event of war in our vicinity," but nonetheless expected to move steadily closer through the 1990s toward full participation in European defense activities.

Addressing the Western European Union, he emphasized that Sweden was ready to accept all the obligations in the EC blueprint set by the Maastricht summit meeting—and just rejected by Danish voters.

He made it plain, for example, that EC membership for Sweden—which could come as early as 1995—would immediately prompt Stockholm to seek a full role in the Western European Union, the de-

fense body responsible for EC military cooperation.

Like neutral Ireland, Denmark unofficially declined, even before the referendum outcome, to take the step after Maastricht of adhering to the Western European Union.

Suggesting that Danes may have become indifferent to security issues now that the Cold War is over, Mr. Björck said that the Swedish commitment was to an "ideological" vision of Europe as a full-fledged world power, not to a mercantilist concept of a European free-trade zone.

Urging EC governments to stick to the 1995 timetable for Swedish entry, Mr. Björck said that in Sweden "yes-sayers will be mobilized," including the strongly pro-EC business and political elites, before a 1994 referendum on the question.

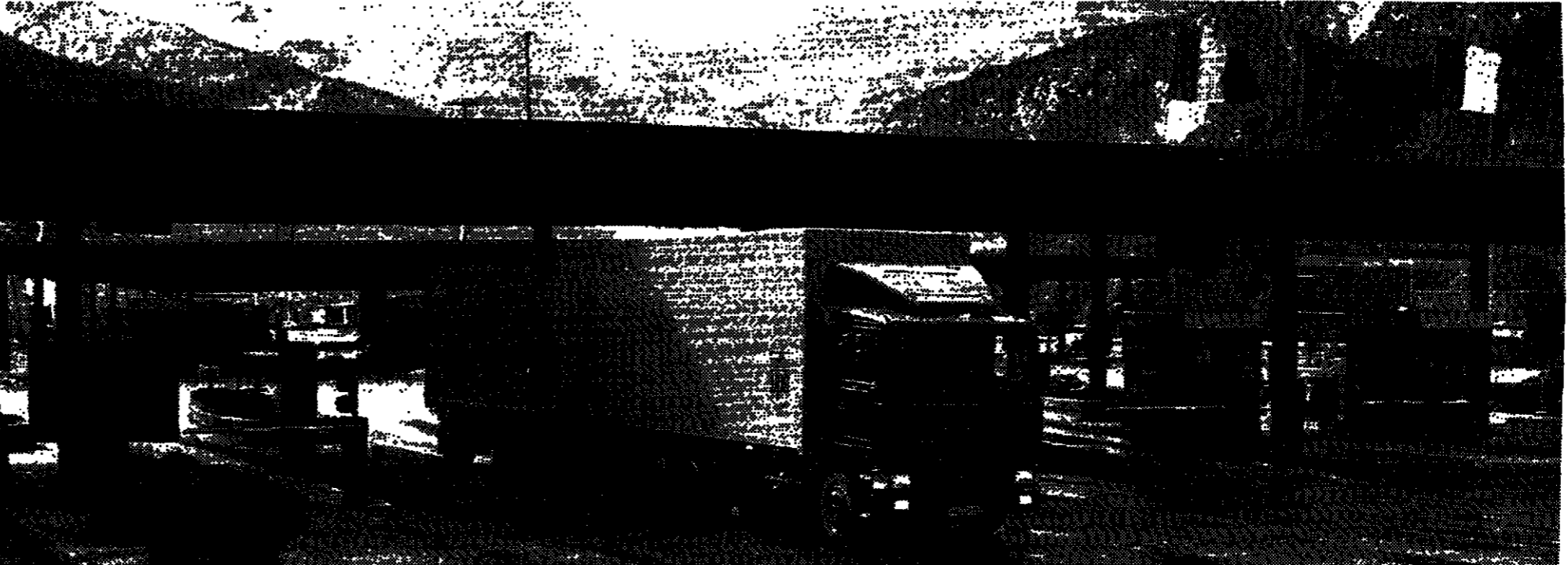
Sweden was ready, he said, to help Europe develop enough military muscle to handle future regional crises, such as the one in Yugoslavia, on its own.

But, he said, his government hoped EC military cooperation "will not develop in a way that will undermine the role played by the United States in our part of the world," because Sweden still faced Russian forces with growing military capabilities in the Baltic region.

Unidentified submarines—presumably Russian—have reappeared in Swedish waters for the first time in months, after speculation that such activity had ceased permanently.

Stockholm's concern to avoid alarming Moscow is evident in Swedish reluctance to give military aid to the Baltic republics, where Russian forces remain, or to explore links with the North Atlantic Treaty Organization.

The government set up an independent panel last week to investigate allegations of extensive covert Swedish cooperation with NATO during the Cold War.



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## Russia Moves to Curb Easy Border Crossings

By Michael Dobbs  
Washington Post Service

MOSCOW—In a new setback to hopes for creating a free trade zone on the ruins of the former 15-republic Soviet Union, Russia announced Thursday that it would introduce formal border controls with five neighbors, including Ukraine.

President Boris N. Yeltsin said at a cabinet meeting that Russia would establish its own border guards, subordinate to the Ministry of Security, the successor to the KGB security police.

Up to now, border controls between the former Soviet republics have been largely symbolic, despite the collapse of the Soviet Union in December.

Apart from Ukraine, which had been united with Russia for more than three centuries, frontiers will also be established with Azerbaijan and the Baltic states of Lithuania, Latvia and Estonia.

Tass said that customs points would be set up on the border with Georgia. There are no immediate plans for a formal frontier with the Muslim republics of Central Asia.

In recent speeches, Mr. Yeltsin complained about the "permeability" of the frontiers of the 11-member Commonwealth of Independent States and the relaxation of visa requirements.

It has become a comparatively simple matter for foreigners to enter Ukraine, the Baltic states or Azerbaijan without a visa and then go on to travel freely around Russia.

The announcement on the creation of a Russian state frontier coincided with a toughening in Moscow's stand on military negotiations with other republics. Over the last few days, the new Russian

defense minister, Pavel Grachev, has warned several republics not to "provoke" Russian troops stationed on their territory.

Tass quoted Mr. Grachev as saying that his troops were coming under increasing pressure in the three Baltic states and the western republic of Moldova and had been authorized to shoot back if they came under fire.

Mr. Grachev said that the 14th Russian Army, which is stationed in Moldova, might abandon its neutrality in the conflict between the Moldovan authorities and Russian-speaking secessionists.

In a message to the Lithuanian president, Vytautas Landsbergis, published in Moscow on Thursday, Mr. Grachev said that "all possible means" would be used to guarantee the "honor and interests" of Russian soldiers stationed in the republic.

All three Baltic republics are now accusing Moscow of dragging its feet on negotiations on the pull-back of 130,000 troops from the region. Russian leaders want to delay the withdrawal of the troops until at least 1994 because of the lack of housing in Russia.

"The Baltic states do not understand that we cannot simply pull out our servicemen and put them in tents," General Dmitri Volkogonov, a senior military adviser to Mr. Yeltsin, said in an interview this week. "This goes beyond our possibilities. We call on Baltic leaders to show some common sense."

According to General Volkogonov, 195,000 officers are already without housing in Russia. He and other military leaders have expressed fears that a hasty withdrawal from the Baltic states could lead to an explosion of discontent within the military, endangering the course of reform.











MARKET DIARY

Dow Edges Lower As Key Sectors Slip

New York — Wall Street stocks closed narrowly lower Thursday as a slump in drug and tobacco stocks offset strength in auto shares.

The Dow Jones industrial average fell 7.26 to 3,399.73. Declining stocks led advances, 8-to-6, on the N.Y. Stocks

New York Stock Exchange. Trading was active, with about 204 million shares changing hands on the Big Board.

"The market has sort of hit the wall here," said Hugh Johnson, chief investment strategist at First Albany. "On one side, it's clear the economy and earnings are recovering. On the other, there's still a nagging concern about valuations."

Lurking in the background, meanwhile, are some "demoralizing events" Mr. Johnson said, including Ross Perot's emergence as a presidential candidate and the steep decline in drug stocks.

Drug shares continued to drop on concerns spurred by Bristol-Myers Squibb's statement Tuesday that earnings would fall below already treated to 5,3785 French francs from a 5,4015. The pound advanced to \$1.8265, after \$1.8185.

Earlier, in London, the dollar also sank through the 1.6 DM level as the market continued its shift to the German currency in the wake of Denmark's rejection of the Maasticht treaty.

Dealers said, however, that demand for marks tailed off somewhat late in the session. In late trading, the U.S. currency stood at 1.5990 DM, after finishing at 1.6050 on Wednesday. It also had slumped to 127.55 yen, from 127.70.

Traders in Europe also direct they were awaiting further information from U.S. jobs data for May. The EC crisis continued to loom over trading and raise doubts despite assurances from 11 of its members that the treaty would go ahead even without Denmark.

Traders noted that even if the 11 did proceed as planned, the treaty would not be legally binding on any of them unless it had been ratified by all 12 EC members.

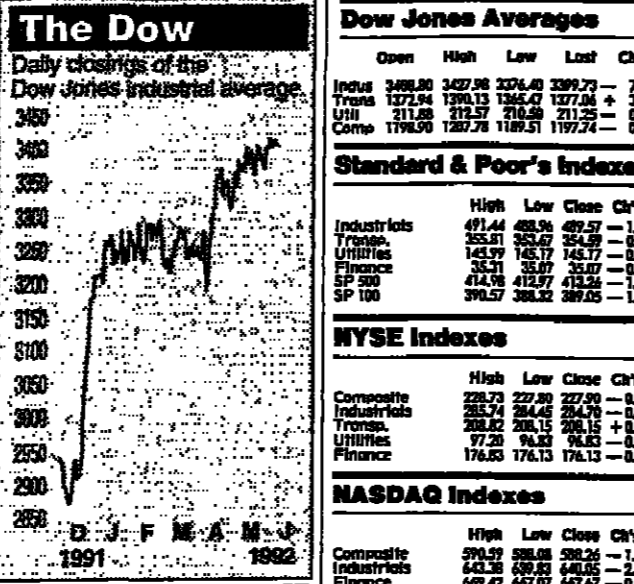
Against other currencies, the dollar dropped to 1.4650 Swiss francs, from 1.4715, and to 5.4145 French francs, from 5.4125. The pound gained to \$1.8270 from \$1.8165. (Reuters, Bloomberg)

There was some concern about the employment report, said Robert Hatcher, a vice president at Barclays Bank PLC. The dollar finished the session at 1.5980 DM, down from 1.6050 on Wednesday.

The U.S. unit ended at 127.350 yen, after 127.345. There were reports that the Bank of Japan intervened against the dollar in Tokyo before the opening in New York.

But John Lyman, senior customer dealer at Bank of Tokyo Trust, said, "I think the market has shrugged off the Bank of Japan intervention, but it would be a different matter if other G-7 countries joined in."

The dollar gained to 1.4622 Swiss francs from 1.4609, but re-



The Dow Daily closing of the Dow Jones industrial average 1991-1992

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Active.

Table with columns: Vol., High, Low, Last, Chg. for AMEX Most Active.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Diary.

Table with columns: Vol., High, Low, Last, Chg. for Amex Diary.

Table with columns: Vol., High, Low, Last, Chg. for NASDAQ Diary.

Table: Dow Jones Averages. Columns: Open, High, Low, Last, Chg.

Table: Standard & Poor's Indexes. Columns: High, Low, Close, Chg.

Table: NYSE Indexes. Columns: High, Low, Close, Chg.

Table: NASDAQ Indexes. Columns: High, Low, Close, Chg.

Table: AMEX Stock Index. Columns: High, Low, Close, Chg.

Table: Dow Jones Bond Averages. Columns: Close, Chg.

Table: Market Sales. Columns: NYSE 4 PM volume, AMEX 4 PM volume, NASDAQ 4 PM volume.

Table: N.Y.S.E. Odd-Lot Trading. Columns: Buy, Sell, Short.

Table: S&P 100 Index Options. Columns: Price, Bid, Ask, Last, Chg.

U.S. / AT THE CLOSE

Retail Sales Creep Up, Recovery Still Detected

NEW YORK (NYT) — Sales in most U.S. retail-chain stores crept up in May, continuing the sluggish growth that began with a bang in January but has wound down ever since, the companies reported Thursday.

J.C. Penney & Co. and Wal-Mart confounded the trend, posting strong increases. But clothing specialty store companies, like Limited and Ann Taylor, lost sales because of unusually cold, rainy weather that quelled consumers' desire to buy summer clothing.

Most other companies had a 1 or 2 percent improvement in sales during May. Analysts said even though the month overall was disappointing, they still saw glimmers of a recovery lurking in the reported sales numbers.

The Salomon Brothers Retailing Index, which tracks the sales of a basket of leading retailers, rose 4.2 percent in May. "The underpinnings for an improved retail sales and earnings picture for the year are becoming more evident," said Jeffrey M. Fearer, a retail analyst with Salomon.

Analysts are now looking to the back-to-school season in August, when they expect a rise in sales that will continue until Christmas.

Du Pont Merck Sets Japan Venture

WASHINGTON (Bloomberg) — Du Pont Merck Pharmaceutical Co. and Banyu Pharmaceutical Co. plan to form a joint venture by the end of the year to develop and market drugs in Japan, they said Thursday.

The new venture's first drug will be Aviva, which is being tested for the treatment of Alzheimer's disease in the United States, he said. The as-yet unnamed company will conduct any additional trials needed for Japanese regulatory approval and then market the product.

For the first few years, a Du Pont Merck spokesman said, the sales force will be directed by Banyu until a separate company is formed.

Motorola, Samsung in Palm-Tops

SCHAUMBERG, Ill. (Bloomberg) — Motorola Inc. said it would develop and market an ultralight personal computer with wireless-communications capabilities with Samsung Electronics Co. before the end of the year.

Motorola becomes the latest U.S. electronics maker to leap into the burgeoning "pen" or "palm-top" computer sector, which analysts expect will account for as much as \$3 billion in revenue by 1995.

Motorola's agreement with Samsung is not exclusive, a Motorola spokesman said. Motorola already supplies communications processors for IBM's new PC Radio PCs and is seeking other allies in the "pen" PC field. Samsung will build the handheld PCs in South Korea, incorporating Motorola's communications microprocessors, the companies said.

For the Record

Boeing Co. said that Emirates, the international airline owned by the government of Dubai, had signed a potential \$2 billion contract for the purchase of seven Boeing 777 twinjets with options on seven additional aircraft.

American Airlines said passenger traffic rose 12.2 percent to a record 7.7 billion revenue passenger miles in May, the first full month under its new fare structure. But American's load factor was down 1.5 points to 60.9 percent because of a 15 percent increase in capacity. (Bloomberg)

Boeke A. Sells has been ousted as chairman and chief executive of Revco D.S. Inc., which emerged this week from bankruptcy court protection, the drug-store chain's board announced. (AP)

Euro Disney Cautious on Profit

PARIS — Euro Disney SCA said Thursday that more than 1.5 million people had visited its theme park in the seven weeks since it opened April 12, but it abandoned a forecast that it would make profit this year.

The company said profit fell to 74.6 million francs (\$13.77 million) in its first half, to March 31, from 120.7 million francs a year earlier. Shares of Walt Disney Co., which owns 49 percent of Euro Disney, dropped \$1.875 to close at \$37.25 on the New York Stock Exchange.

Euro Disney previously said it expected 11 million visitors in its first year of operation. President Robert Fitzpatrick indicated that the figures for the first seven weeks did not guarantee a similar rate of attendance throughout the year. (Reuters, AP)

U.S. FUTURES

Table: Grains. Columns: Season, High, Low, Open, High, Low, Close, Chg.

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Table: Soybeans (CBT). Columns: Season, High, Low, Open, High, Low, Close, Chg.

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Table: Hogs (CME). Columns: Season, High, Low, Open, High, Low, Close, Chg.

Table: Silver (COMEX). Columns: Season, High, Low, Open, High, Low, Close, Chg.

Table: Platinum (NYMEX). Columns: Season, High, Low, Open, High, Low, Close, Chg.

Table: Gold (COMEX). Columns: Season, High, Low, Open, High, Low, Close, Chg.

Table: Light Sweet Crude (NYMEX). Columns: Season, High, Low, Open, High, Low, Close, Chg.

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Table: Municipal Bonds (CBT). Columns: Season, High, Low, Open, High, Low, Close, Chg.

Table: Eurodollars (HMM). Columns: Season, High, Low, Open, High, Low, Close, Chg.

French De... Blue Circle... Boots Shares... Slip Despite Profit Rise... Must... People with the... Unique market... and growing regional... financial incentives... Management and... transportation and... Property costs and... key contacts for... and business hotlines...

French Deal Will Cost Blue Circle £206 Million

Compiled by Our Staff From Dispatches LONDON — Blue Circle Industries PLC, a British building-materials concern, said Thursday that it was buying a French maker of radiators and boilers, Compagnie Internationale du Chauffage SA, for a total of £206.1 million (\$375 million) including assumption of debt.

Wellcome Sets A July 6 Date For Stock Issue

REUTERS LONDON — Wellcome PLC, the maker of the leading anti-AIDS drug Zovirax, on Thursday announced initial details of its plans for a huge share offer.

Zaire Seizes Foreign Oil Assets

By Kenneth B. Noble New York Times Service KINSHASA, Zaire — The government has announced that it is seizing the assets of European and American oil companies based in Zaire in an effort to ease chronic fuel shortages.

Investor's Europe table with columns for Exchange, Index, Thursday Close, Prev. Close, and Change. Includes data for Frankfurt DAX, London FTSE 100, Paris CAC 40, etc.

Boots Shares Slip Despite Profit Rise

REUTERS LONDON — Boots Co., the retailing and pharmaceutical group, said Thursday that its pretax profit last year rose 7.2 percent despite the recession.

KLM Returns to Profit, Reinstates Dividend

REUTERS AMSTERDAM — KLM Royal Dutch Airlines said Thursday that higher market share and cuts in costs helped it to return to profit in 1991-92, after a huge loss the previous year.

NESTLE: Acquisition of Perrier Hits an EC Snag

(Continued from first finance page) else force it to call off its deal with BSN and find another company to purchase Volvic.

FOSTERS: BHP Seeks to Boost Its Holding's Value

(Continued from first finance page) over 1 billion dollars on revenue of 15.6 billion dollars.

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# NASDAQ

**Thursday's Prices**  
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

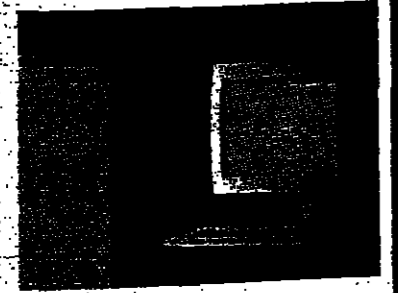
Symbol	Div	Yield	High	Low	Open	Close
AA			24 1/2	24 1/2	24 1/2	24 1/2
ABB			1 1/2	1 1/2	1 1/2	1 1/2
ABC			1 1/2	1 1/2	1 1/2	1 1/2
ABT			1 1/2	1 1/2	1 1/2	1 1/2
ABX			1 1/2	1 1/2	1 1/2	1 1/2
AC			1 1/2	1 1/2	1 1/2	1 1/2
ACC			1 1/2	1 1/2	1 1/2	1 1/2
ACD			1 1/2	1 1/2	1 1/2	1 1/2
ACE			1 1/2	1 1/2	1 1/2	1 1/2
ACG			1 1/2	1 1/2	1 1/2	1 1/2
ACH			1 1/2	1 1/2	1 1/2	1 1/2
ACI			1 1/2	1 1/2	1 1/2	1 1/2
ACK			1 1/2	1 1/2	1 1/2	1 1/2
ACL			1 1/2	1 1/2	1 1/2	1 1/2
ACM			1 1/2	1 1/2	1 1/2	1 1/2
ACN			1 1/2	1 1/2	1 1/2	1 1/2
ACO			1 1/2	1 1/2	1 1/2	1 1/2
ACP			1 1/2	1 1/2	1 1/2	1 1/2
ACQ			1 1/2	1 1/2	1 1/2	1 1/2
ACR			1 1/2	1 1/2	1 1/2	1 1/2
ACS			1 1/2	1 1/2	1 1/2	1 1/2
ACT			1 1/2	1 1/2	1 1/2	1 1/2
ACU			1 1/2	1 1/2	1 1/2	1 1/2
ACV			1 1/2	1 1/2	1 1/2	1 1/2
ACW			1 1/2	1 1/2	1 1/2	1 1/2
ACX			1 1/2	1 1/2	1 1/2	1 1/2
ACY			1 1/2	1 1/2	1 1/2	1 1/2
ACZ			1 1/2	1 1/2	1 1/2	1 1/2

Symbol	Div	Yield	High	Low	Open	Close
AD			1 1/2	1 1/2	1 1/2	1 1/2
ADD			1 1/2	1 1/2	1 1/2	1 1/2
ADG			1 1/2	1 1/2	1 1/2	1 1/2
ADH			1 1/2	1 1/2	1 1/2	1 1/2
ADI			1 1/2	1 1/2	1 1/2	1 1/2
ADJ			1 1/2	1 1/2	1 1/2	1 1/2
ADK			1 1/2	1 1/2	1 1/2	1 1/2
ADL			1 1/2	1 1/2	1 1/2	1 1/2
ADM			1 1/2	1 1/2	1 1/2	1 1/2
ADN			1 1/2	1 1/2	1 1/2	1 1/2
ADO			1 1/2	1 1/2	1 1/2	1 1/2
ADP			1 1/2	1 1/2	1 1/2	1 1/2
ADQ			1 1/2	1 1/2	1 1/2	1 1/2
ADR			1 1/2	1 1/2	1 1/2	1 1/2
ADS			1 1/2	1 1/2	1 1/2	1 1/2
ADT			1 1/2	1 1/2	1 1/2	1 1/2
ADU			1 1/2	1 1/2	1 1/2	1 1/2
ADV			1 1/2	1 1/2	1 1/2	1 1/2
ADW			1 1/2	1 1/2	1 1/2	1 1/2
ADX			1 1/2	1 1/2	1 1/2	1 1/2
ADY			1 1/2	1 1/2	1 1/2	1 1/2
ADZ			1 1/2	1 1/2	1 1/2	1 1/2

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# AMEX

### Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

12 Month High/Low/PE						12 Month High/Low/PE						12 Month High/Low/PE						12 Month High/Low/PE					
Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE	High	Low
AMEX	...	...	...	...	...	AMEX	...	...	...	...	...	AMEX	...	...	...	...	...	AMEX	...	...	...	...	...
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

### Japan Industry

Importers

Company	Stock	Div	Yld	PE	High	Low
...	...	...	...	...	...	...

31092

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مکان من الأجر



# Japan Avoids a Row on Chips Industry to Boost U.S. Semiconductor Sales

Compiled by Our Staff From Dispatches

TOKYO — Japanese and U.S. industry officials announced an agreement Thursday aimed at quickly increasing sales of U.S. computer chips in Japan, avoiding a showdown on the issue of access to the \$20 billion Japanese semiconductor market.

"Our mission is to avoid any misunderstanding that might lead to potential sanctions," said Shirohiko Itoh, head of a committee of the Electronic Industries Association of Japan that deals with foreign chip purchases.

Japan's 10 largest semiconductor users, which account for about half of all Japanese chip purchases, agreed to take "emergency" actions to dramatically increase purchases of foreign semiconductors over the next six months.

Under the main point of the agreement reached between the Japanese association and the U.S. Semiconductor Industry Association, the 10 Japanese companies will give U.S. suppliers lists of additional semiconductor users they are willing to buy during the second half of this year.

The Japanese industry group also pledged to seek commitments from its 62 member companies to observe the semiconductor trade pact, promote sales of high-value, custom-designed foreign chips and increase foreign orders at a rate greater than the overall expansion of demand when Japan's economy recovers.

An agreement signed by the two countries last summer set a goal of a 20 percent market share for foreign chips in Japan by the end of 1992.

But the foreign share has stalled at about 15 percent for the past two years, and sales of foreign

chips actually have fallen in recent months because of Japan's weak economy.

Most of the top 10 users already buy at least 20 percent of their chips from foreign suppliers. But they are active in overseas markets and therefore are sensitive to the possible fallout from a trade dispute over failure to reach the 20 percent goal.

Many of the increased foreign chip purchases under the agreement are likely to be low-profit, off-the-shelf "commodity" chips available from many suppliers, and not the custom-designed chips that encourage long-term relationships between suppliers and users.

In addition, the agreement specifies that the special measures are only for 1992, which could lead to a subsequent sales drop.

James Norling, vice chairman of the U.S. semiconductor group, welcomed the measures, saying they would lead to an increase in purchases of foreign chips "quickly and dramatically."

"It is specific, aggressive and therefore has an excellent chance of being implemented and achieving these goals," he said of the pact.

Association officials had warned of a looming trade crisis if a satisfactory agreement was not reached in talks this week with the Japanese group.

U.S. semiconductor makers say they could have an additional \$1 billion in sales per year if the foreign market share reached 20 percent.

Japan blames the slump in foreign market share on weak demand for electronic products that use semiconductors. It also says the 20 percent market-share figure in the semiconductor pact reached last summer is a goal, not a commitment. (AP, Reuters)

# Big Imports Hongkong Telecom Sees Slower Gains After Pact

Reuters

TAIPEI — Taiwan's trade surplus plunged 45.9 percent in May from a year earlier, to \$910 million, as big government infrastructure projects pulled in imports, the Finance Ministry said on Thursday.

Imports climbed 19 percent from a year earlier to \$6.1 billion last month, bolstered by purchases of transport and anti-pollution equipment from abroad. Exports rose a 2.9 percent, to \$7 billion.

In the first five months of this year, the trade surplus rose by 35.7 percent, to \$4.9 billion.

HONG KONG — Hongkong Telecommunications' agreement with the government to slash charges for the company's big earnings, international calls, will slow profit growth but the big hit will not come until next year, Finance Director John Torrance said Thursday.

Telecom's stock dropped quickly to 8.90 Hong Kong dollars (\$1.15) in reaction to the pact, from 9.40 on Wednesday, but recovered to close at 9.15 dollars.

"There's no doubt the company will continue to grow," Mr. Torrance said, but added, "The profitability growth rate will decline."

On Wednesday, the government said it would scrap the British-controlled company's much-criticized domestic monopoly on conventional telephones, replacing it with a nonexclusive license when its franchise expires in 1995.

As part of the agreement Hongkong Telecom, which is 58.5 percent-owned by Cable & Wireless PLC, will keep its international monopoly until 2006. But it also agreed to cut international rates by 12 percent over the next three years. The reductions, which start with an 8 percent cut in the first year, would give Hong Kong consumers the lowest international rates in the world.

"It's not going to be drawn into guessing games on the direct effect it'll have on our profitability this year," Mr. Torrance said. The company's 1991-92 profit rose 12 percent, to 5.67 billion Hong Kong dollars, but the growth was well down from 20 percent-plus rates achieved in the 1980s.

"The effective date of these changes will not be until the end of this year or early next year so the direct effect of this year will not be that significant," said Mr. Torrance. "The big impact will be next financial year, starting next April."

On the Hong Kong Stock Exchange, prices closed mixed after a tussle between profit-takers and bargain-hunters precipitated by Hongkong Telecom's early tumble. The blue-chip Hang Seng Index edged down 1.57 points to close at 6,035.80, after touching a low of 5,979.73 on the Telecom news.

# Investor's Asia

Exchange	Index	Thursday Close	Prev. Close	Change
Hong Kong	Hang Seng	6,035.80	6,037.37	-0.08
Singapore	Straits Times	1,587.44	1,513.72	-0.41
Tokyo	Nikkei 225	17,954.07	18,188.68	-1.28
Kuala Lumpur	Composite	586.23	586.43	-0.27
Bangkok	SET	594.82	579.52	+0.78
Seoul	Composite Stock	588.81	588.98	-0.03
Taipei	Weighted Price	4,588.61	4,588.97	+0.06
Mumbai	Composite	1,498.73	1,445.37	+3.55
Jakarta	Stock Index	N.A.	N.A.	
New Zealand	NZSE-40	1,582.52	1,588.97	+0.06
Bombay	National Index	1,321.38	1,361.88	-2.97

Sources: Reuters, AFP International Herald Tribune

# Very briefly:

- India's Central Bureau of Investigation filed criminal charges against Harsh Mehta, the financier who is at the center of a multibillion-rupce scam involving funds belonging to several banks; the police also launched more than 30 raids in Bombay and seized documents related to the case.
- China has accelerated preparations for a project of Formosa Plastics, of Taiwan, in Xiamen on the southern Chinese coast and told officials to speed up infrastructure construction, a Beijing-funded newspaper in Hong Kong reported.
- C. Itoh & Co., the Japanese trading company, and Lasso PLC, the British oil company, obtained rights to jointly explore for crude oil off southern Vietnam; the companies will spend about \$250 million each on the project and hope production will begin by 1996.
- Mazda Motor Corp. said it would start making vans in China jointly with C. Itoh & Co. and a local company, starting in July.
- Jardine Strategic Holdings Ltd.'s shareholders have approved plans to move the company's primary listing of its ordinary shares from Hong Kong to London; the transfer is expected to take effect Sept. 7.
- Kobe Steel Ltd. and Texas Instruments Inc. announced the completion of a \$5 billion (543 million) semiconductor wafer plant in Japan.
- The Philippines said GNP grew only 2.04 percent in the first three months of this year, held back by drought and the global recession.
- A Peat Marwick accountant, Choi Hon-kwan, was jailed in Hong Kong after pleading guilty to charges that he stole more than \$1 million from the collapsed local unit of Bank of Credit & Commerce International. (AFP, Reuters, Bloomberg, AFP)

# Imported Car Sales Fall in Japan

Compiled by Our Staff From Dispatches

TOKYO — Japanese consumers bought fewer imported cars in May than they did a year earlier, marking the 17th straight monthly drop, the Japan Automobile Importers Association said Thursday.

In May, 13,561 imported cars, buses and trucks were sold, down 13.2 percent from 15,616 the same month last year, the association said. It attributed the weak sales to Japan's economic slowdown and lower demand for expensive cars. The total for the first five months of the year was 68,375 vehicles, down 15.5 percent.

The plunge in May reflected a slump in sales of passenger cars, which fell 13.7 percent, to 13,309 units. Truck sales rose 29.3 percent, to 247 units, while bus sales increased from one to five.

Sales of German vehicles, which accounted for 60.1 percent of imports, fell 8.1 percent, to 8,026.

Sales of U.S.-made vehicles, including ones as-

sembled by Honda, Toyota and other Japanese plants in the United States, totaled 2,382, down 21.1 percent from a year earlier. U.S. passenger cars held 16.22 percent of the import market.

Japanese automakers had pledged during President George Bush's visit to Japan in January to do their best to sell an additional 20,000 U.S. cars per year here by 1995.

Among the U.S. makers, Honda's U.S. subsidiary led the list with 1,044 passenger vehicles, although sales were down sharply from 1,595 in May 1991.

Sales of General Motors cars fell for the first time this year, slipping 4.1 percent, to 728 vehicles, despite a two-month advertising campaign. But GM Japan attributed the fall to a holiday period that reduced the number of days that public offices were open for registering new vehicle sales. (AP, UPI, AFP)

# Vietnam Farmers Are Left Holding Bumper Rice Crop

Agence France-Press

HANOI — Rice farmers in Vietnam have produced the biggest spring harvest on record, but face falling prices and hold big surpluses of the crop, especially in the Mekong Delta in the south. Hindering exports is the lack of storage, processing, transport and credit facilities to convert the bumper crop into a proportional increase in exports. Much-needed capital from the West for investment in agriculture has not been forthcoming.

In 1989, Vietnam shifted from being a rice importer to the world's third-largest exporter, behind the United States and Thailand, after Hanoi decollectivized agriculture and allowed farmers to produce crops for profit.

Vietnam could export a record 1.5 million metric tons to 2.0 million tons of rice this year, said the agriculture and food industry minister, Nguyen Cong Tan. He added that the country had shipped an unprecedented 500,000 tons in the first five months of the year.

The February-March harvest in the country's premier rice-growing region, the Mekong Delta, produced about 4.6 million tons of paddy, or unmillable rice. That is 700,000 tons more than last year.

While Mr. Tan did not reveal the size of the surplus, a senior Vietnamese source put it at 1.2 million tons, and added that it could grow to 3.0 million tons by the end of the year.

# ADVERTISEMENT

## INTERNATIONAL FUNDS

June 4, 1992

Quotations symbolized by funds listed. Not asset value quotations are supplied by the Funds listed with the exception of some equity funds on issue price. The market symbol indicates frequency of quotations reported: d—daily; w—weekly; b—bi-monthly; r—quarterly; l—twice weekly; m—monthly

Fund Name	Price	Fund Name	Price	Fund Name	Price
ARC INVESTMENT SERVICES CO (L) 100000	100.00	WORLDWIDE INVESTMENT	100.00	WORLDWIDE INVESTMENT	100.00
... (thousands of funds) ...	...	... (thousands of funds) ...	...	... (thousands of funds) ...	...

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 52 12.





OBSERVER

Families, the Real Stuff

By Russell Baker
NEW YORK — "White Heat" has been stuck in my mind for a week. It's that 1949 gangster movie that ends with James Cagney standing on top of an oil-refinery tank, crying "Top of the world, Ma!" as he blows the refinery and himself to Kingdom Come.

Investing in Art and Life After Tennis

By Nick Stout
PARIS — A female voice resonated from the intercom after the bell was pressed: "Wait until I close up the dogs." Then the iron gate buzzed open, and the visitor was led along a stone-dirt path through the greenery and into the 18th-century mansion, appropriately situated on Rue des Arts in the Paris suburb of Boulogne.



Wojtek Fibak at the opening of the exhibition of his art collection at the National Museum in Warsaw.

PEOPLE

The Elements of Nature Get Better of Pavarotti

A sore throat and thunderstorms finally got the better of Luciano Pavarotti. After disappearing into a black-draped tent on stage during a concert in Sheffield, England, to gargle after almost every number, and after a thunderstorm nearly drowned out the music inside, the singer finally threw in the towel.

Japan Toward Leftists in D... Any Use of... The Global News... No. 33-987

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FRANCE - CORCOISE, PHILIPPINES, HOLIDAY RENTALS, GREECE, ITALY, PORTUGAL, SPAIN, RESIDENTIAL, LOW COST FLIGHTS, ACCESS VOYAGES, DEBUTANTE, LONDON BRAZILIAN, ZURICH SUSAN, CHESSA ESCORT SERVICE, LOWEST AIR FARES, WOLFFBERG scheduled departure.

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HOTELS AND RESTAURANTS
HOTELS ANDRORRA, ITALY, U.S.A., MANNHATTAN Home Away From Home, HOTEL \*\*\*\* RESIDENCE DU ROY, RESTAURANTS, FRENCH PROVINCES, RESTAURANT MICHEL, RESTAURANT MICHEL, RESTAURANT MICHEL.